



COUNTY OF SAN DIEGO

AGENDA ITEM

BOARD OF SUPERVISORS

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First District

JOEL ANDERSON
Second District

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Third District

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Fourth District

JIM DESMOND
Fifth District

DATE: May 10, 2022

14

TO: Board of Supervisors

SUBJECT

ACCEPTANCE AND APPROPRIATION OF FEDERAL COMMUNITY PROJECT FUNDS (DISTRICTS: ALL)

OVERVIEW

The revised 2021 Legislative Program was approved and adopted by your Board of Supervisors on January 26, 2021 (14). The revised 2021 Legislative Program included new abbreviated guiding principles and key legislative initiatives and priorities. Included in the revised Priorities section was new language and direction to “actively pursue all available funding to lift up and invest in our communities to ensure the San Diego region receives its fair share.”

In the spring of 2021, the United States Congress announced the return of Community Project Funds, also known as Earmarks, for Federal Fiscal Year 2022 after more than a decade hiatus. In accordance with the direction provided with the approval of the revised 2021 Legislative Program, the County of San Diego applied for funding to support various programs and projects from our local Congressional Delegation. After a long budget process, the Federal Fiscal Year 2022 Omnibus Budget was signed into law on March 15, 2022. Included in that omnibus bill, was an item requested by the County of San Diego to Representative Sara Jacobs that provides the County, and sub-recipient Mission Driven Finance, \$1 million to create a childcare expansion fund for small childcare entities, both center-based and home-based, to competitively apply for funds to augment the costs of capital improvements and infrastructure needed to expand available childcare slots.

Today’s requested action is to authorize the acceptance of these federal funds, authorize (Director) to execute all funding documents and agreements, establish appropriations, authorize entering into an agreement with Mission Driven Finance, as the sub-recipient of these funds, and waive Board Policy B-29 to allow the implementation of this program.

RECOMMENDATION(S)

CHIEF ADMINISTRATIVE OFFICER

1. Authorize the acceptance of \$1,000,000 in funds from the United States Small Business Administration for the creation of a Childcare Expansion Fund.

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2. Authorize the Chief Administrative Officer, or designee, to execute all required funding documents and agreements, including any annual extensions, amendments, and/or revisions thereto that do not materially impact or alter the services or funding level.
3. Establish appropriations of \$1,000,000 in the Finance and General Government Group Executive Office (Org 32150), Services & Supplies, to implement and fund the Childcare Expansion Fund based on unanticipated revenue from the United States Small Business Administration **(4 VOTES)**
4. Authorize the Chief Administrative Officer, or designee, upon successful negotiations, to execute a grant agreement with Mission Driven Finance for the implementation of the Childcare Expansion Fund, and to amend the agreement as necessary.
5. Waive Board Policy B-29, Fees, Grants, Revenue Contracts – Department Responsibility for Cost Recovery.

EQUITY IMPACT STATEMENT

Throughout San Diego County, families are struggling to find and pay for childcare. Access and cost to quality childcare has been a long-standing issue. The COVID-19 Public Health Emergency exasperated the issue as many childcare facilities closed, staff were let go, and available slots were reduced to support social distancing. This caused a ripple of effect of reduced slots leading to an even greater demand and increase in cost. For an infant and toddler, full-time care can cost an average of \$16,000 to \$20,000 per year. The high costs alone force many working families to choose between childcare and healthy and nutritious food, which is not conducive to long-term success and healthy outcomes.

As the COVID-19 Public Health Emergency continues, the challenges and inequities continue as well. Across the nation, workforce challenges persist because many working families can't find or afford childcare. Working families have been forced to pay more and transport further away. This means more time traveling and less time with family and supporting a child's needs. Additional funding to expand childcare slots regionally is needed now more than ever. The investment made by the Fiscal Year 2022 Omnibus Budget on behalf of Representative Jacobs will significantly improve the number of childcare slots in San Diego County and support children and families who need and rely on quality childcare for sustained success and opportunities, which will lead to healthy outcomes.

FISCAL IMPACT

Funds for this request are not included in the Fiscal Year 2021-22 Operational Plan. If approved, this request will result in costs and revenue of \$1 million in Fiscal Year 2021-22. The funding source is federal Community Projects as administered by the United States Small Business Administration (SBA). There will be no change in net General Fund cost and no additional staff years.

BUSINESS IMPACT STATEMENT

N/A

ADVISORY BOARD STATEMENT

N/A

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BACKGROUND

On January 12, 2021 (12), the Board of Supervisors directed the Chief Administrative Office to revise the County's Legislative Program with a number of recommendations, including the specific addition of a priority to pursue state and federal funding that invests in communities and ensure the County's fair share of funding. The revised Legislative Program, including the new language and direction in the Priority Issues section to "actively pursue all available funding to lift up and invest in our communities to ensure the San Diego region receives its fair share," was approved by the Board of Supervisors on January 26, 2021 (14), and renewed on December 7, 2021 (14).

In the spring of 2021, the United States Congress announced the return of non-defense Congressionally Directed Spending Requests, or Community Project Funds, for Federal Fiscal Year 2022. Commonly referred to as "earmarks," this funding opportunity became available after more than a decade hiatus. Each of our local Congressional Delegation offices had processes for submitting their projects, and the County applied for funding for various projects from all offices accepting applications as directed by the Board through the approval of the Legislative Program Priority Issues. After a long budget process, the Federal Fiscal Year 2022 budget was signed into law by President Biden on March 15, 2022. Included in that omnibus bill, was one item requested by the County of San Diego, which was a submission from Representative Sara Jacobs, that provides the County and sub-recipient Mission Driven Finance \$1 million to create a childcare expansion fund for small childcare entities, both center-based and home-based, to competitively apply for funds to augment the costs of capital improvements and infrastructure needed to expand available childcare slots. These funds are designated for existing childcare providers, and preference will be given to applicants who serve diverse families (at least 30% of families enrolled are below 130% AMI), and can demonstrate a track record of program quality, having a plan to expand capacity, and pay a living wage to staff members.

Today's actions authorize the acceptance of funds from the United States Small Business Administration, authorize the Chief Administrative Officer, or designee, to execute all required documents for the funding, establish appropriations, and authorize an agreement with Mission Driven Finance to implement the Childcare Expansion Fund.

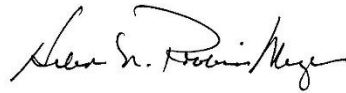
The Board is also requested to waive Board of Supervisors Policy B-29, Fees, Grants, Revenue Contracts – Department Responsibility for Cost Recovery. Additional guidance and funding documents are pending from the United States Small Business Administration. As such, it is not yet known whether the Earmarks will be funded through a grant agreement or another funding mechanism. The County has been made aware, however, that the funding must be obligated by the sub-recipient no later than September 30, 2022. Because of this, and the need to initiate an agreement with the sub-recipient of the funding, it may not be possible for staff to meet the technical or procedural requirements of Board Policy B-29.

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LINKAGE TO THE COUNTY OF SAN DIEGO STRATEGIC PLAN

Today's proposed actions support the Equity and Community Strategic Initiatives in the County of San Diego's 2022-2027 Strategic Plan by advancing opportunities for economic growth and development to all individuals and the community and maximizing resources through community partnerships that benefit the region.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Helen N. Robbins-Meyer". The signature is fluid and cursive, with the first name "Helen" and last name "Robbins-Meyer" clearly distinguishable.

HELEN N. ROBBINS-MEYER
Chief Administrative Officer

ATTACHMENT(S)

N/A